agriculture and allied sectors achieved a growth rate of 4.5 per cent in 2007-08, according to the revised estimates released by the Central Statistical Organisation (CSO) on 30th May, 2008 and 3.0 per cent in Q1 (April-June) of 2008-09 as per the estimates of GDP for the first quarter of 2008-09 released by the (CSO) on 28th August, 2008.

MSP for paddy

18. SHRI MOINUL HASSAN: Will the Minister of AGRICULTURE be pleased to state:

(a) the basis on which Government has announced Rs. 850 per quintal as Minimum Support Price (MSP) for paddy;

(b) whether Government is aware that there is a steep hike in prices of various inputs like fertilizers, diesel, seeds etc. in recent months which is going to be raised further;

(c) whether Government is also aware that Dr. Swaminathan Commission has recommended for fixation of MSP on "average cost of inputs plus 50 per cent extra"; and

(d) if so, by when Government is going to raise MSP for paddy to Rs. 1000/- per quintal;

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA): (a) and (b) The Government decides on the Minimum Support Price (MSP) for various agricultural commodities taking into account the recommendations of the Commission for Agricultural Costs and Prices (CACP), the views of State Governments and Central Ministries as well as such other relevant factors which are considered important for fixation of support prices. The CACP, while formulating its recommendations on price policy considers a number of important factors which includes cost of production, changes in input prices, input/output price parity, trends in market prices, demand and supply situation, inter-crop price parity, effect on industrial cost structure, effect on general price level, effect on cost of living, international market price situation and parity between prices paid and prices received by the farmers.

The cost of cultivation/production taken into account includes all paid out costs, such as, those incurred on account of hired human labour, bullock labour/machine labour (both hired and owned) and rent paid for leased in land besides cash and kind expenses on use of material inputs like seeds, fertilizers, manures, irrigation charges including cost of diesel/electricity for operation of pump sets, etc. Besides, cost of production includes imputed value of wages of family labour and rent for owned land. The cost also covers depreciation of farm machinery and buildings. As such, the cost of production covers not only actual expenses in cash and kind but also imputed value of owned assets including land and family labour.

During April-August, 2008 prices (in terms of Wholesale Prices Index) of inputs such as fertilizers, pesticides, diesel have recorded an increase of 5.15%, 3.80% and 9.81% respectively.

(c) National Commission on Farmers (Swaminathan Commission) had recommended that Minimum Support Prices (MSPs) should be at least 50 per cent more than the weighted average cost of production. This recommendation has not been accepted by the Government since MSP is recommended by the Commission for Agricultural Costs and Prices (CACP) who, *Inter-alia* takes into account various factors, like cost of production of respective crops before arriving at their recommendations.

(d) The Government has already announced MSP of Rs. 850 per quintal for Paddy Common and Rs. 880 per quintal for Paddy Grade 'A' for 2008-09 season and there is no proposal, at present, to revise the same. However, a proposal to grant bonus of Rs.50 per quintal has been approved, over and above the MSP.

Insurance cover to livestock, fish and birds

19. SHRI SHANTARAM LAXMAN NAIK: Will the Minister of AGRICULTURE be pleased to state:

(a) the schemes implemented by Government to provide insurance cover to the livestock, fish and birds in the country;

(b) the salient features of each of the schemes;

(c) whether any of such schemes are in force in Goa;

(d) if so, financial assistance given to the State, till date under various schemes; and

(e) the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI TASLIMUDDIN): (a) In order to provide insurance cover to the livestock, Government of India implemented Livestock Insurance Scheme during 2005-06 to 2007-08. At present, there is no scheme for insuring fish and birds in the country.

(b) The Livestock Insurance scheme was implemented in 100 selected districts of the country on pilot basis to provide insurance cover to crossbred and high yielding Cattle and Buffaloes. The scheme provides 50% subsidy on the insurance premium and rest of the premium is being borne by the beneficiaries. One time benefit of subsidy on premium is restricted to maximum of two animals per beneficiary for a policy of maximum period of three years.

(c) No, Sir.

(d) and (e) Does not arise.

Activities under Coastal Aquaculture Authority

20. SHRI SHANTARAM LAXMAN NAIK: Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Coastal Aquaculture Authority has started functioning in the country;